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***DRAFT  
WORKING PAPERS  
Iraq Status***

This briefing is classified  
**UNCLASSIFIED**  
Derived from: Multiple Sources



# Highlights

## CPA Priorities:

- Essential Services
- Security
- Governance
- Economy
- Strategic Communications

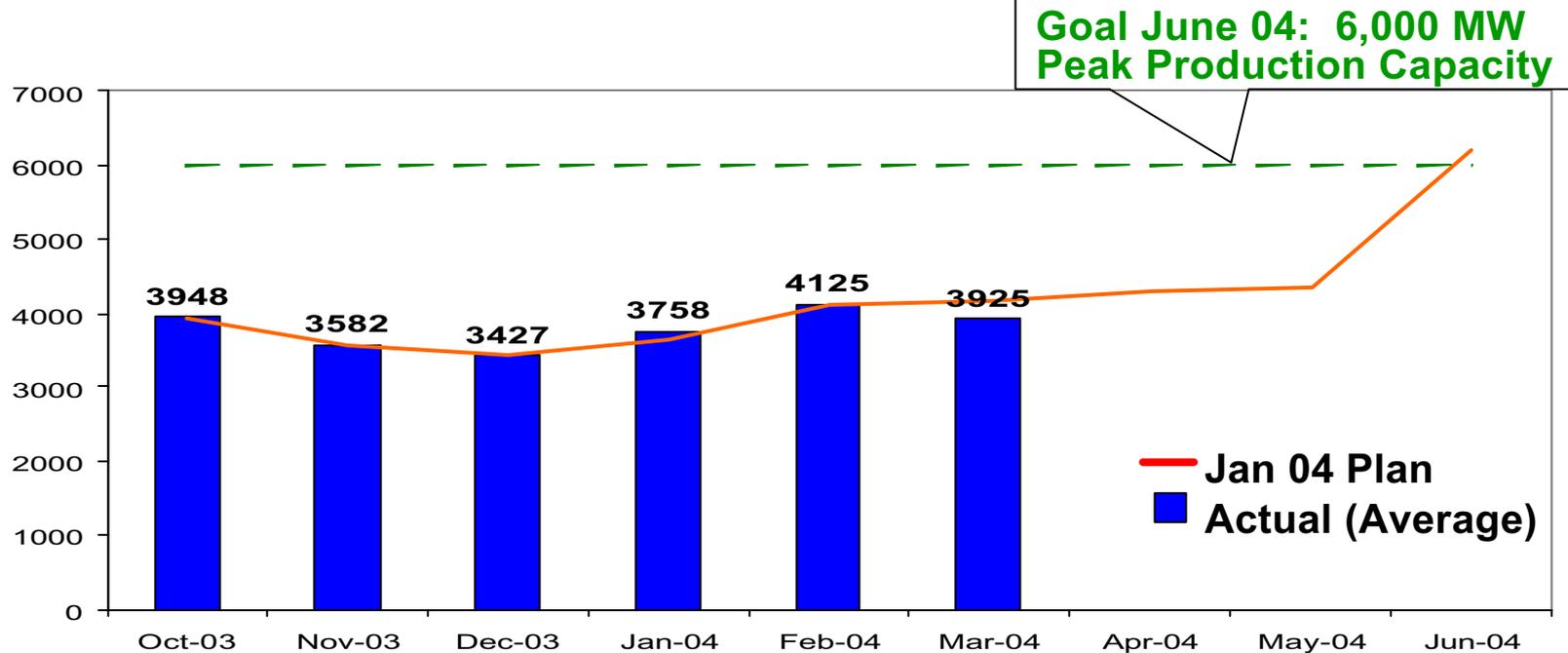
## CPA Intermediate Objectives:

- Reconstitute electric power infrastructure
- Reconstruct the telecom system
- Draft "Transitional Administrative Law"
- Build financial market structures
- Improve dissemination of information

## Weekly Highlights:

- Iraqi Governing Council signed the Transitional Administrative Law on 08 Mar
- Central Bank of Iraq signed up for SWIFT payment system, standard international payment system used by central banks worldwide
- Leading clerics and representatives of all Iraqi religious groups established Iraqi Centre for Reconciliation, Dialogue, & Peace
- 919,150 telephone subscribers – 10.4% above active subscribers pre-war; 225,000 cell phone subscribers

# Electricity Overview



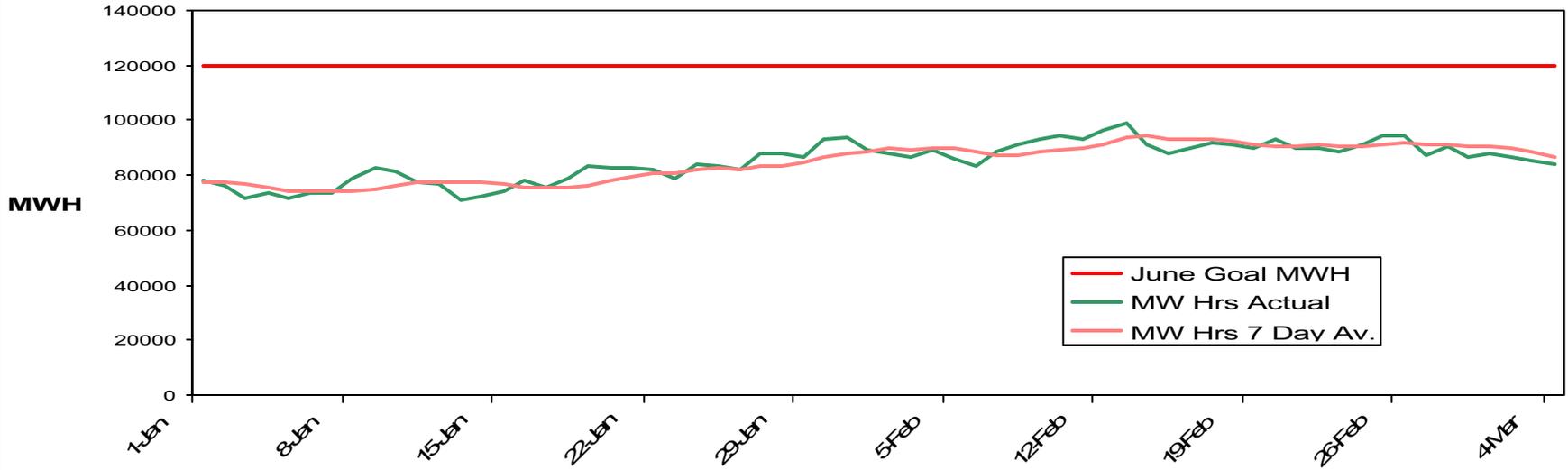
- **Ambassador Bremer approved a new increase plan on 14 Jan 04 to prevent current project delays from impacting the goal of 6,000 MW by 01 Jun**
- **CPA Autumn Maintenance Program began Oct 03 transitioned into the Spring program in February and has resulted in 1,059 MW in scheduled maintenance losses on average over the past week. Unscheduled generator maintenance continues with 836 MW out of service**



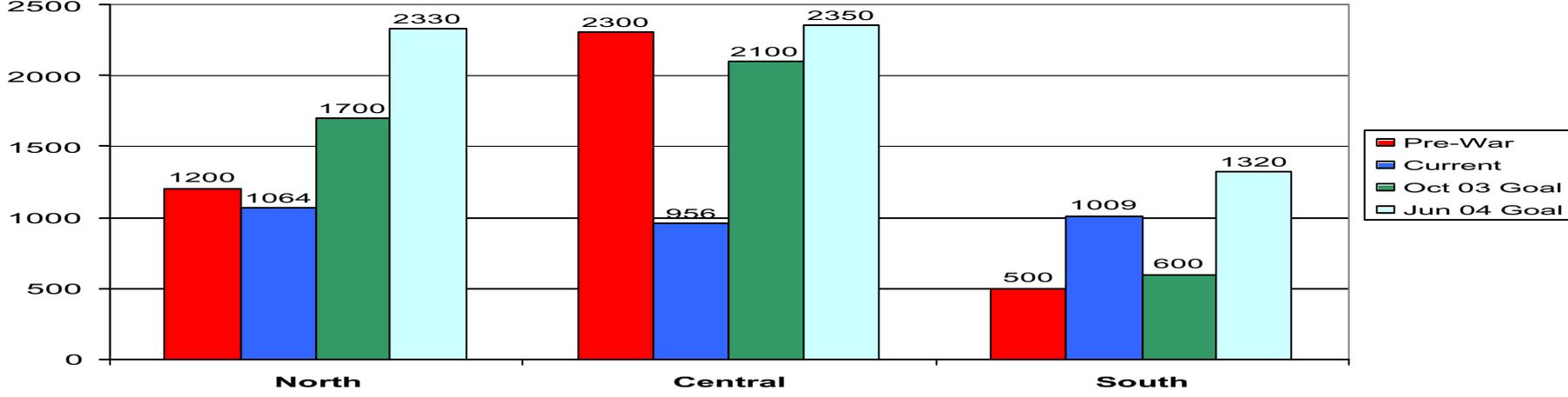
# Power Production

DEPARTMENT OF DEFENSE

### Mega Watt Hour Production



### By Region

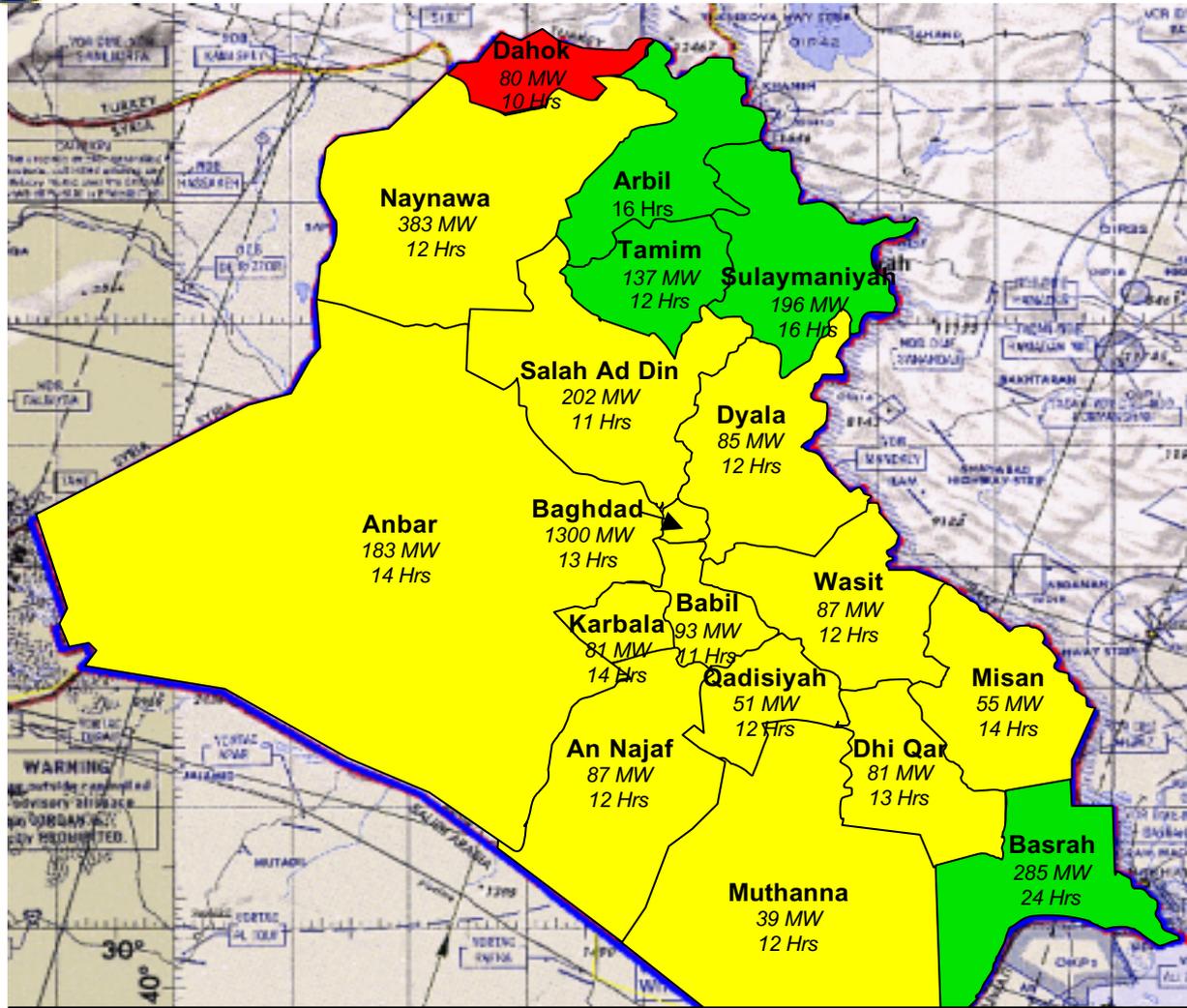


Data as of 04 Mar



# Hours of Power

DEPARTMENT OF DEFENSE



## Average Hours of Electricity Available to Residents

- = 8 Hrs = Red ●
- 8 to 16 Hrs = Amber ●
- = 16 Hrs = Green ●
- No Report

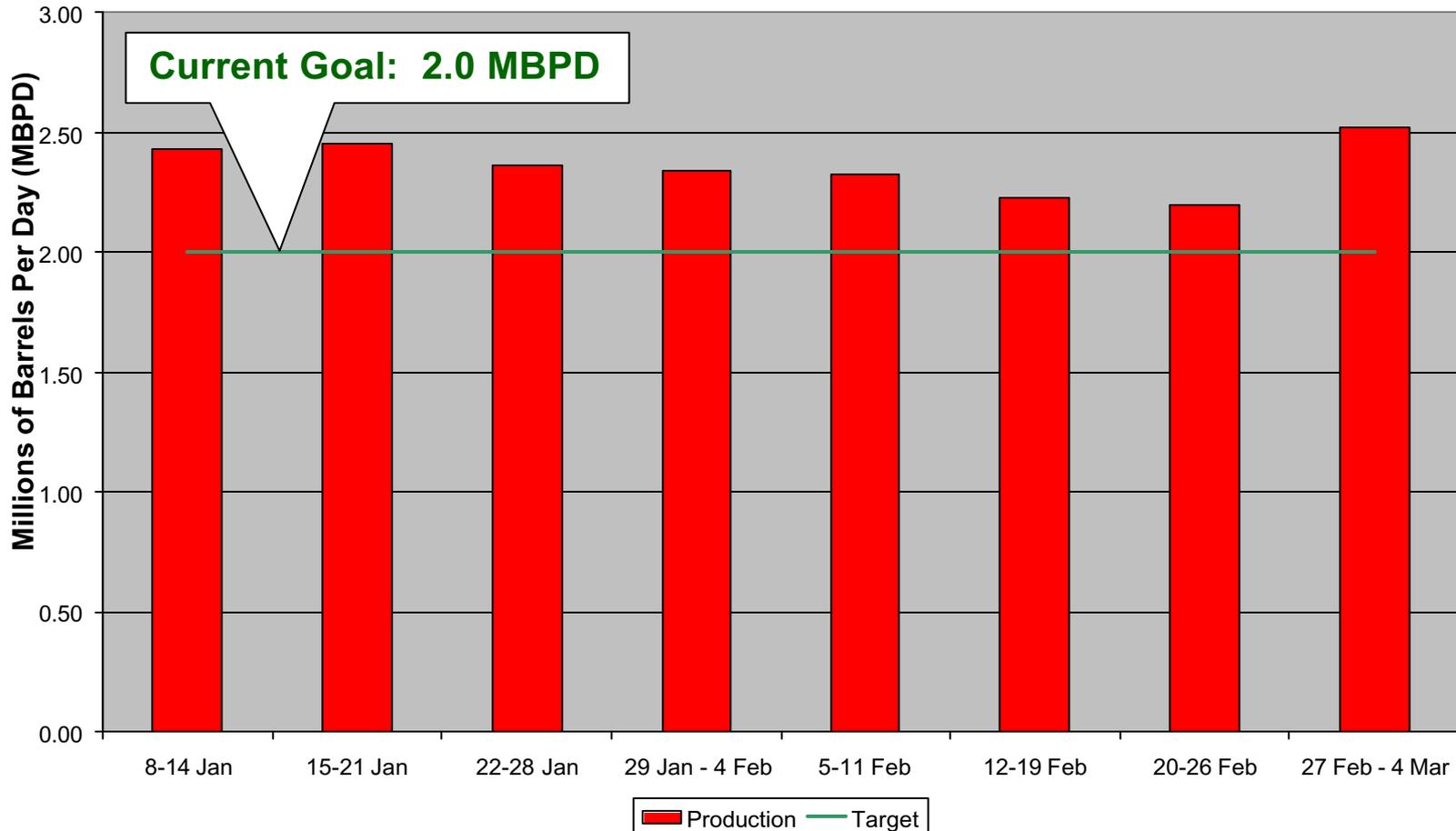
## Percent Change (7 Day)

Baghdad	-1.0%
Duhok	14.3%
Naynawa	7.0%
Tamim	1.0%
Salah Ad Din	4.6%
Anbar	5.3%
Dyala	10.0%
Babil	-8.3%
Kirbala	14.7%
Najaf	20.4%
Qadisiyah	-6.7%
Wasit	6.0%
Muthanna	0.7%
Dhi Qar	0.0%
Misan	13.8%
Basrah	12.5%

**Average Electrical Power Distribution per Governorate (Based upon Preliminary Reports)**



# Crude Oil Production

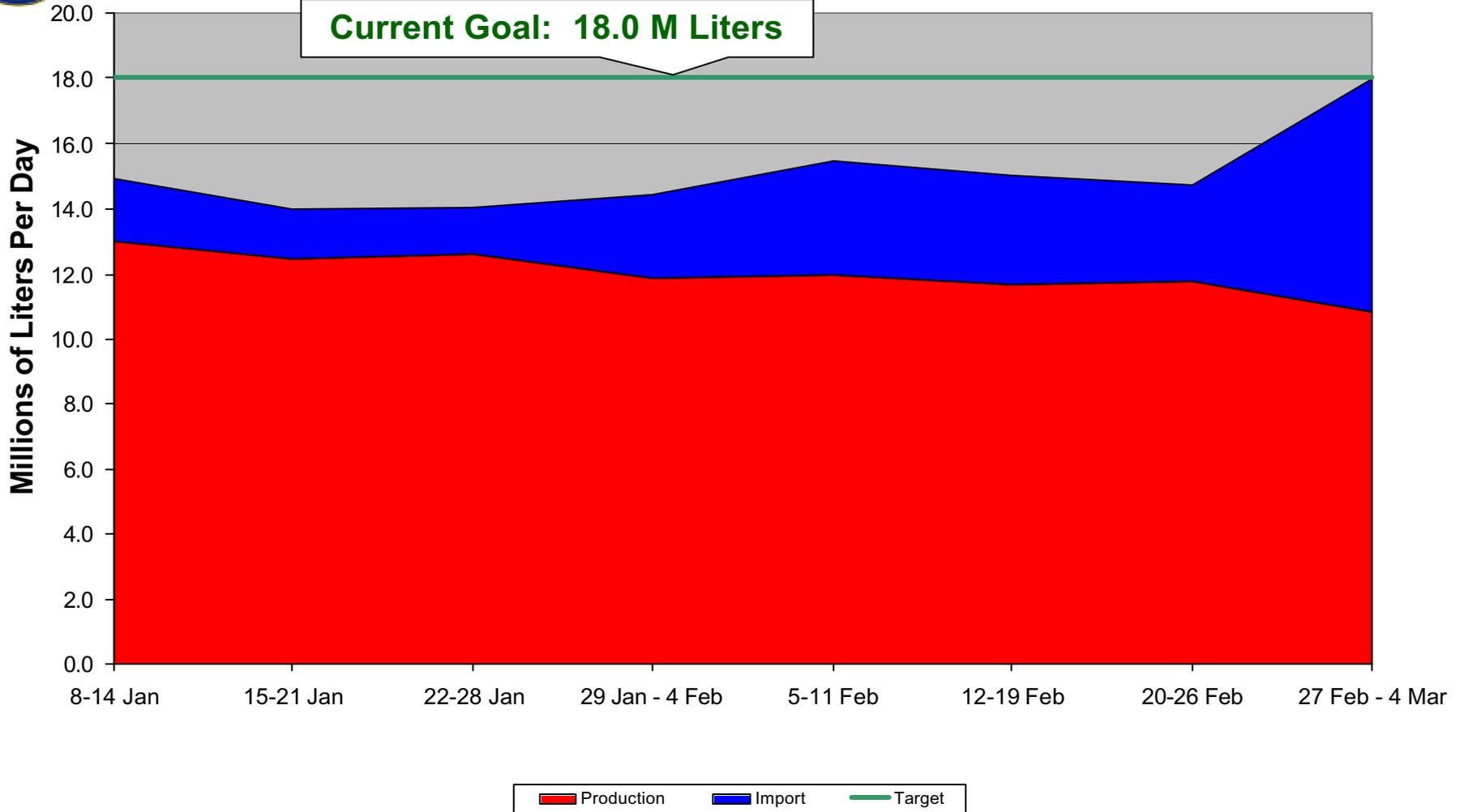


## Weekly Average of 2.523 MBPD Exceeds Target of 2.0 MBPD

- Long Term Target (Dec 04): 2.8-3.0 MBPD (Pre-War Capacity)
- Pre-War Peak: 2.5 MBPD in Mar 03
- Post-war Peak: 2.541 MBPD on 28 Feb 04
- Weekly average of crude exports: 1.486 MBPD



# Diesel Production



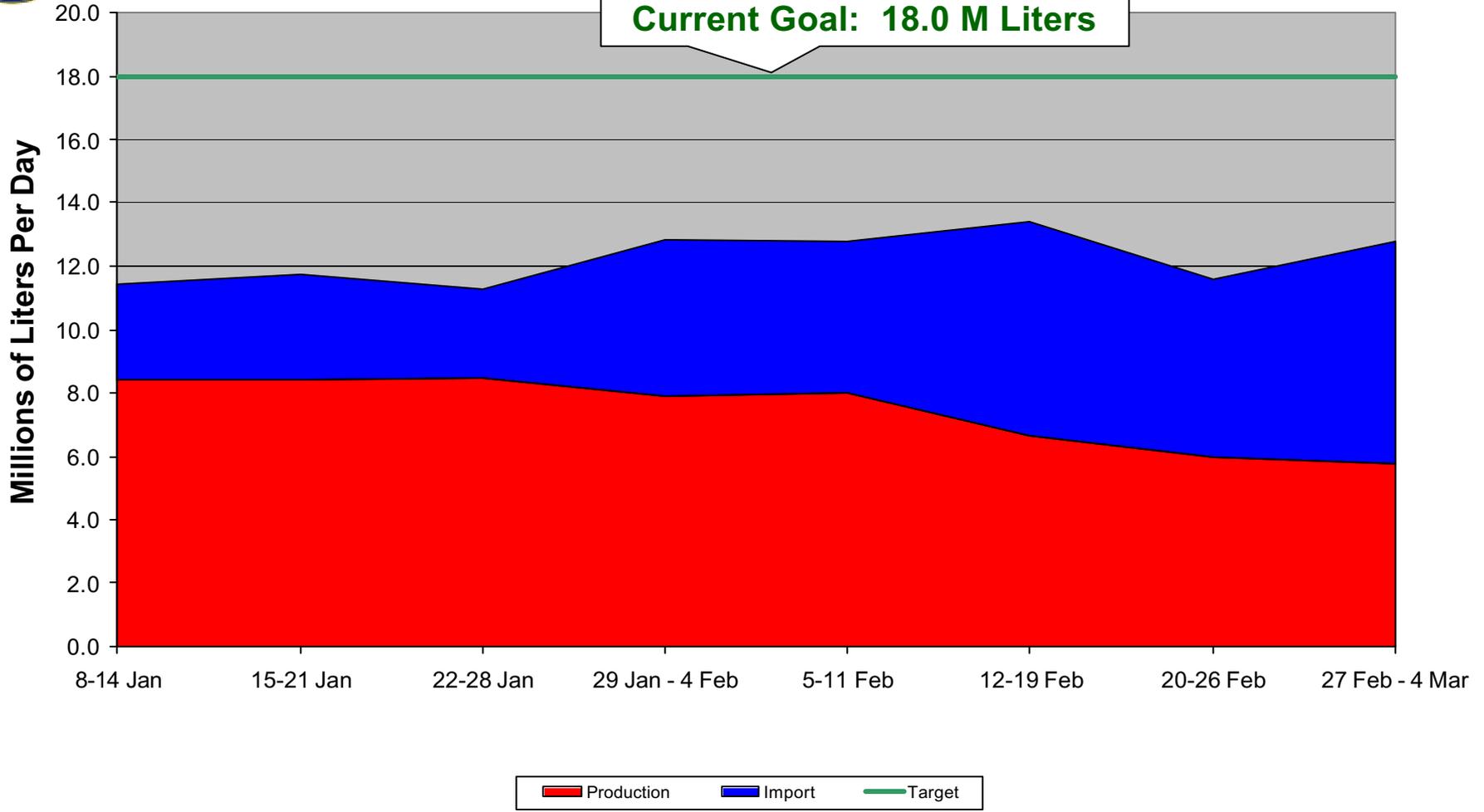
• This week's average production and imports are 100% of goal

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# Kerosene Production

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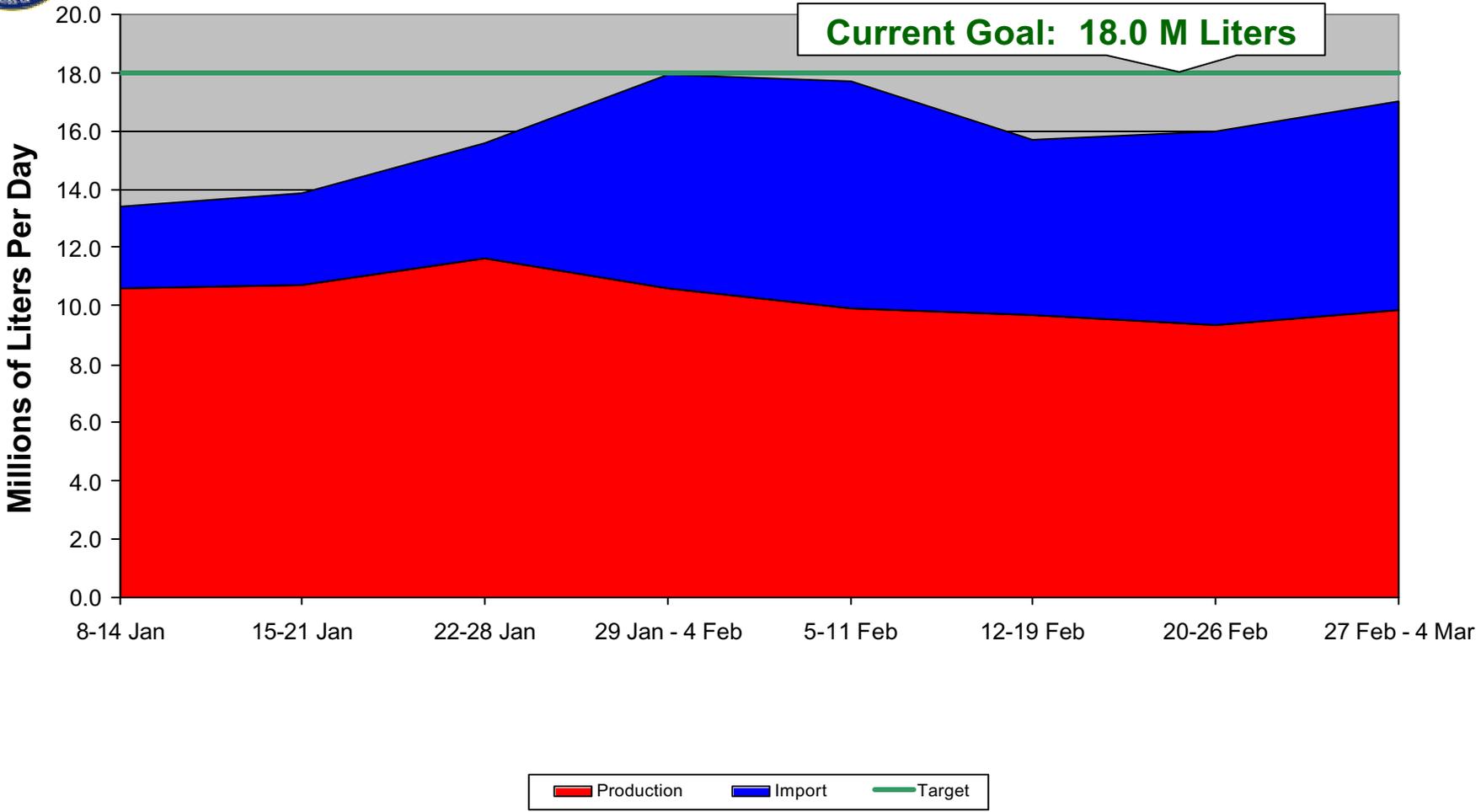


• This week's average production and imports are 71% of goal



# Gasoline / Benzene Production

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Current Goal: 18.0 M Liters

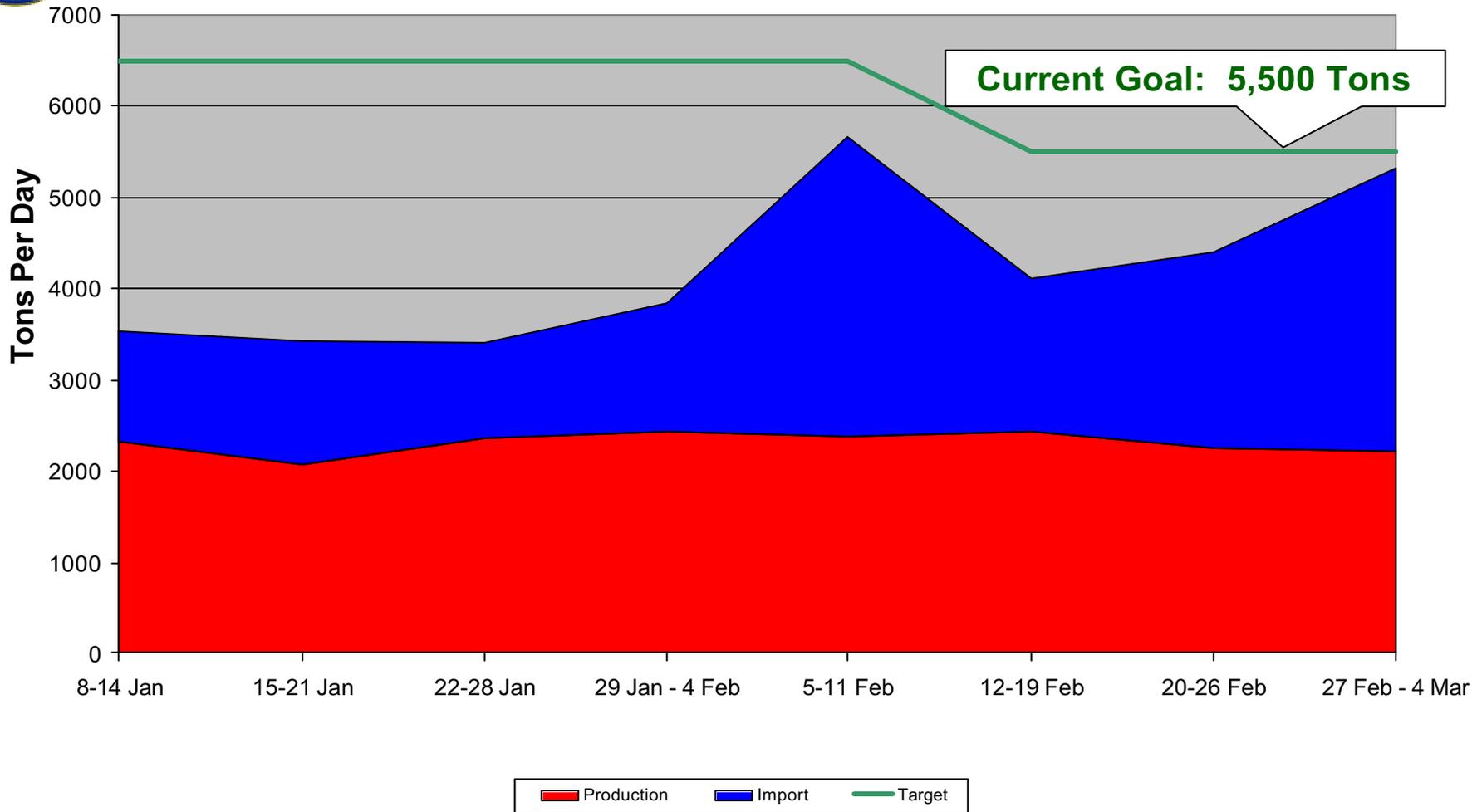
■ Production   
 ■ Import   
 — Target

• This week's average production and imports are 95% of goal



# Liquefied Petroleum Gas Production

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• This week's average production and imports are 97% of goal

## Essential Services - Education

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- **Governors held public forums to discuss paper circulated as part of national education dialogue: “A New Outlook for Education in Iraq”**
- **Permanent Council of University Presidents elected a Chair and Vice Chair from among the presidents**
  - **Council should exercise increased authority as main policy body in higher education**
- **Student union elections will take place nationwide on 15 Mar 04**
- **More than 32,000 teachers trained in school management and classroom teaching methods in nationwide program**
  - **Training encourages teachers to freely express themselves and participate in decision-making on training content**

### **CPA Education Objective: Improve Quality and Access to Education**

- **Reorganize and staff the Ministry of Education**
- **Rehabilitate school buildings and build new schools**
- **Advance national dialog on curriculum reform**
- **Continue and expand teacher training**

## Essential Services – Education (cont)



- **USAID accomplishments during the 2003-2004 school year:**
  - **Rehabilitated more than 2,300 schools under a variety of different contracts and grants**
  - **Distributed kits to 3,900 secondary schools (159,000 student desks, 26,437 teacher desks and chairs, 61,000 chalkboards)**
  - **Distributed 58,500 teacher kits (rulers, geometric triangles, compass, pens, an attendance register and chalk)**
  - **Distributed student kits to 1.5M secondary school children (shoulder bag, notebooks, pencils, pens, calculator and rulers)**
  - **Distributed 8.7M textbooks to primary and secondary schools**
    - **Provides a book for every two students, compared to one for every six students prior to the conflict**
  - **Supported installation of Education Management Information System (EMIS) in the Ministry of Education**
- **USAID Local Governance Program is working in primary schools to improve student understanding of basic democratic concepts**

## Essential Services – Healthcare

- **Ministry of Health (MoH) formed a working group to facilitate the repatriation of Iranians injured or killed in the Ashura bombings**
- **USAID Iraqi Health Systems Strengthening Project (IHSS) is improving healthcare delivery through regional train-the-trainer programs**
  - **IHSS will ultimately train 2,500 medical staff in 7 governorates**
- **MoH has established a networked data entry system to facilitate data input from over 3,000 healthcare facilities throughout Iraq**
- **MoH to introduce program to fortify wheat flour with iron and folic acid to reduce iron deficiency, anemia and folic acid deficiency in women of childbearing age, and reduce neural tube birth defects**

### **CPA Health Care Objective: Improve Quality and Access to Health Care**

- **Develop health care organizations, management, and infrastructure**
- **Train health care professionals**
- **Pharmaceuticals logistic support**
- **Secure system**
- **Public health**



## Essential Services – Healthcare (cont)

- **Deputy Minister of Health negotiated Japanese commitment to assist in Iraqi healthcare system recovery**
- **A series of Ministry of Health public health forums will connect the Iraqi public with the MoH to shape health policy reform**
  - **Surveys collected from participants will be used to shape reform strategy**
  - **Solicitation of citizen participation is an important precedent as Iraq continues its transition to democracy**
- **USAID and the MoH are renovating Al Kut Central Blood Bank, the only source of blood for Wasit governorate patients**
- **MoH sent approximately 100 Iraqi physicians and nurses to Egypt for a four-week trilateral medical training program with Iraq, Japan, and Egypt**
  - **Updating skills in intensive care practices, nursing procedures, and endoscopic surgery**

## Essential Services – Water



- **Civil engineering work at Al Hillah and Ad Diwaniyah wastewater treatment plants is complete**
  - **Civil work phase rehabilitated the entire plant except mechanical and electrical components**
  - **Mechanical and electrical repairs are now underway**

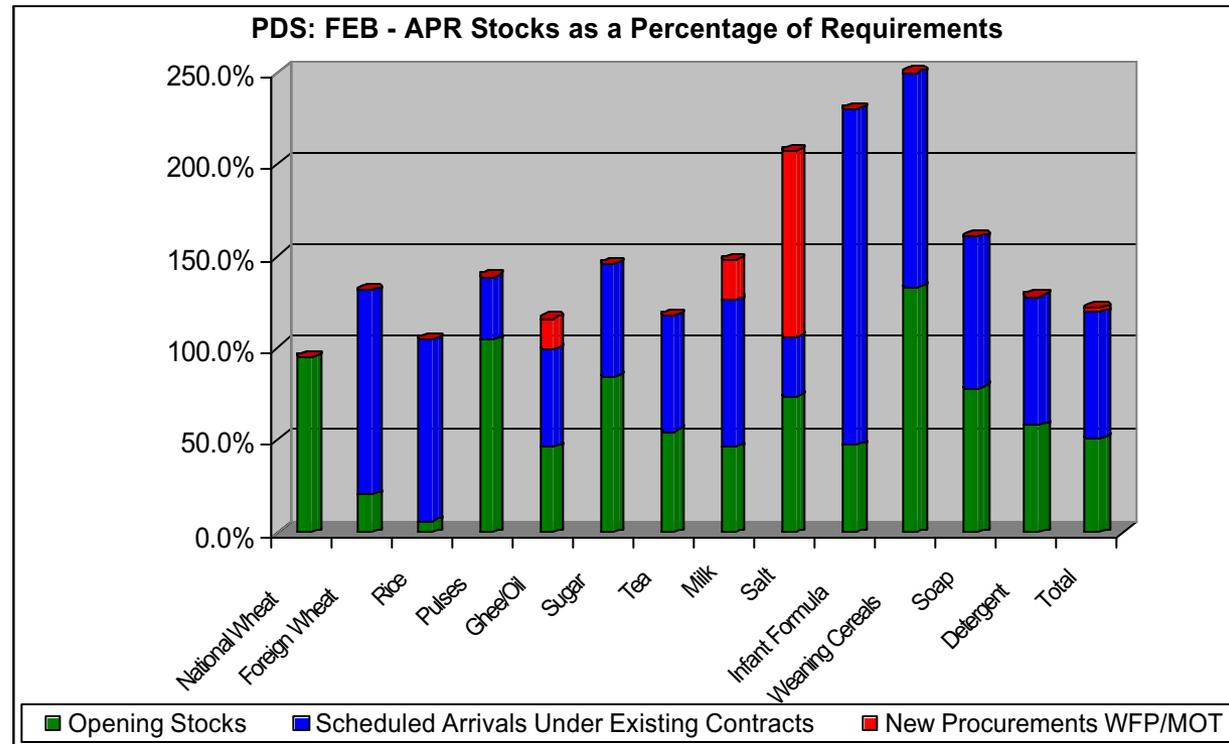
**CPA Food Security Objective: Provide Water Supply, Sewerage & Municipal Services; Improve Water Resource Management**

**Create viable organization to deliver water, sewerage and municipal services (WSMS) • Expand WSMS to meet national needs • Develop full range of municipal services and inclusive delivery mechanism • Improve Ministry processes in preparation for Iraq's sovereignty • Infrastructure improvements to water resource system • Facilities improvements within Ministry • Capacity building within Ministry**

# Essential Services – Food Security

DEPARTMENT OF DEFENSE

- Percent of estimated Requirements On Hand of stocks for 12 public distribution goods that Iraqis receive under Public Distribution System (PDS) until end of April
- The percentage of estimated requirements includes opening stocks (amount on hand), and scheduled arrivals of goods
- PDS stocks are calculated as a % of estimated demand for Feb through Mar 04
- Having 100% of each commodity ensures stock availability through April



## CPA Food Security Objective: Provide Food Security for all Iraqis

Enhance capacity of Ministry of Agriculture • Assure supply of inputs • Strengthen research system • Ensure adequate stocks for Public Distribution System (PDS) • Monitor food security • Hand over administration of system in the North • Initiate reform of rations basket • Environmental Initiatives

## Essential Services – Food Security (cont)

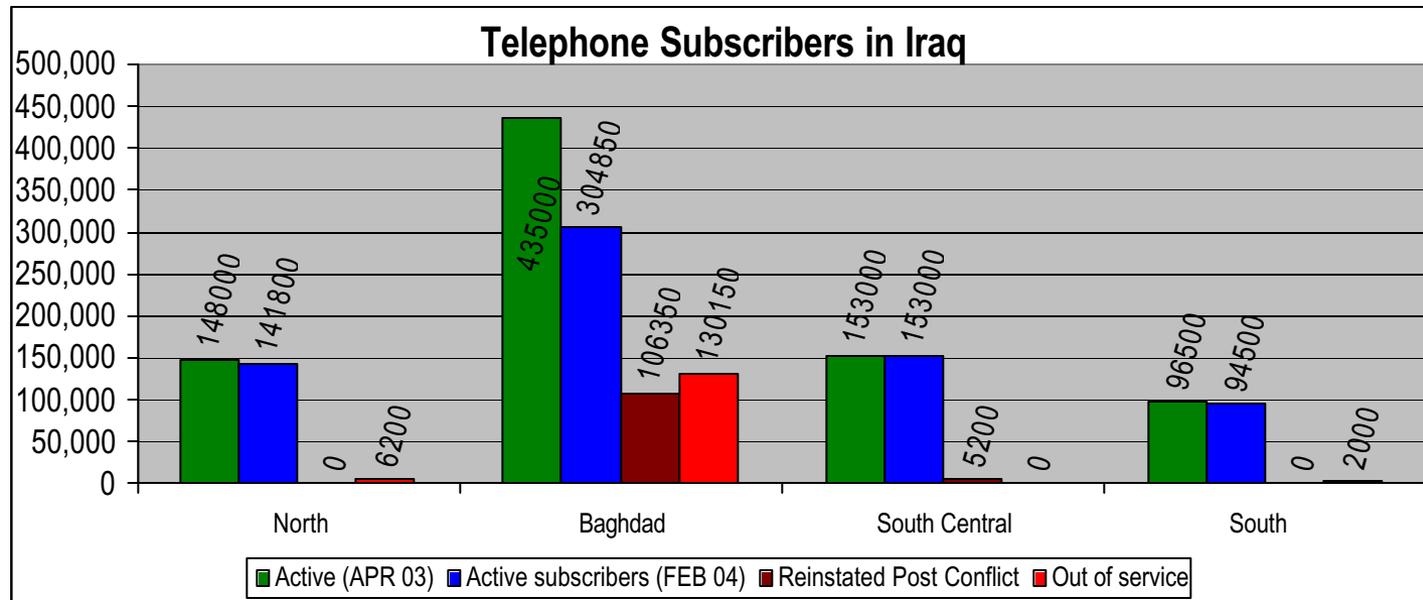
- Shortages in food pipeline for immediate rice distribution will be made up in next month's distributions
- National wheat stocks are slightly below the requirements for April, but Ministry of Trade (MoT) is using existing foreign wheat to make up for shortages until new national wheat harvest is available (June)
  - CPA is also working to accelerate new wheat procurement by the World Food Program and the MoT to eliminate these shortages
- USAID continues to explore increased private sector participation with Ministry of Agriculture companies to increase crop yields & meat production
- Crop technology demonstrations for farmers and agricultural workers have showcased better yields in wheat, barley & lentil production
- Basrah city government and local community rehabilitated a city-owned slaughterhouse to supply wholesome meat to the city

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# Essential Services – Telecommunications

- Total number of telephone subscribers: 919,150
  - 10.4% above active subscribers pre-war
  - Includes 225,000 cell phone subscribers
- CPA has reinstated service for 111,550 subscribers since May 2003
- CPA has repaired 18 telephone switches since May 2003 with full supporting service

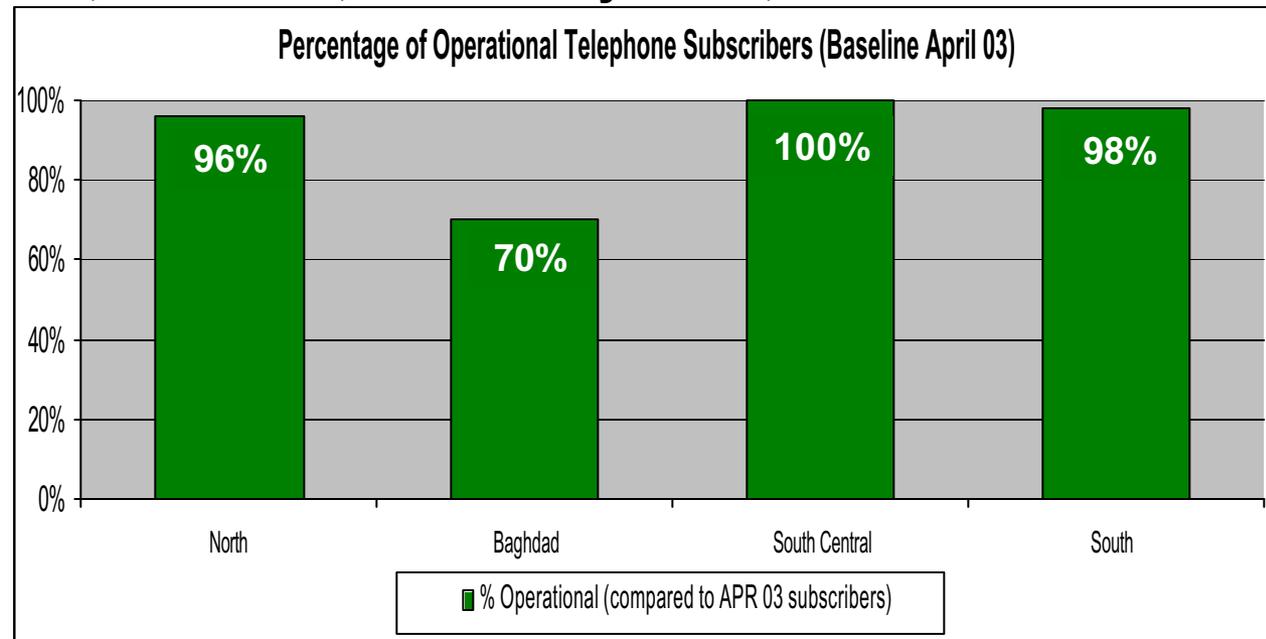


## CPA Objectives: Reconstruct Communications & Postal Systems

Build Iraq's first responder network • Establish independent regulatory agency • Upgrade Iraqi Telephone and Postal Company (ITPC) network for interoperability • Build transmission component data network for Iraq, including international gateways • Restructure ITPC and its business operations • Upgrade and modernize postal systems • Upgrade ITPC outside plant for increased subscriber capacity and use

# Essential Services – Telecommunications (cont)

- International Satellite Gateway was attacked on Mar 3, initially resulting in loss of international calling capabilities
- USAID's work at Al Mamoun telecommunications site is complete, allowing over 100,000 subscribers to be connected
- Three cell phone companies continue to sign up new subscribers
  - Mosul, Sulaymaniyah, and Kirkuk: 117,000 subscribers
  - Baghdad: 68,000 subscribers
  - Basra, Al Kut, Amarah, Samawah, and Nasiriyah: 40,000 subscribers
- Percentage of operational telephone subscribers compared to the number of active subscribers in April 2003
- The percentage of active subscribers in Baghdad increased by 4% over last week



Source: CPA Senior Advisor to the Minister of Communications



# Essential Services – Transportation

- The Iraqi Republic Railway received the first two of six Russian-built large shunting locomotives acquired under the Oil for Food Program, and are preparing them for service
- Ministry of Transportation (MoT) presented the World Bank with a \$3 million project to integrate existing bus transportation facilities and buses by establishing a dispatch and maintenance management system, and a \$2.5 million project to provide continuing education to mid-level ministry managers
- Seven MoT staff are undergoing World Bank training in contracts, finance, and project management
- Umm Qasr port's principal dredging vessel will go into service this month after 6 months of renovation

## CPA Objectives: Restore Economically Strategic Transportation Infrastructure

Enable Iraqi civil aviation to prepare for international commercial aviation and cargo service • Enable Iraqi Port Authority to administer a port of call with intermodal capabilities and inland container distribution • Enable Iraqi Republic Railways to provide domestic and international passenger and freight capabilities • Reform civil service at Ministry of Transportation



# Iraqi Security Forces

	Required	On Payroll (Untrained)	On Duty (Partially Qualified)	On Duty (Fully Qualified)	In- Training	TOTAL
Iraqi Border Police	8,835	0	8,259	0	0	8,259
Dept of Border Enforcement	16,892	0	9,873	0	0	9,873
Iraqi Police Service	75,000	59,128	12,422	2,327	3,876	77,753
Iraqi Civil Defense Corps	40,000	0	0	30,942 (OJT Continuous)	2,322	33,264
Iraqi Armed Forces (IAF)	40,000	0	0	3,057	1,076	4,133
Facilities Protection Service (Ministries & MSCs)	55,000	0	0	73,937	0	73,937
	<b>235,727</b>					<b>207,219</b>



# AMMO / Explosives / Weapons Captured (Weekly)

Captured AMMO & Explosives	09 - 15 Feb	16 - 22 Feb	23 - 29 Feb	01 - 07 Mar
<b>Assembled IED</b>	<b>68</b>	<b>60</b>	<b>57</b>	<b>63</b>
<b>RPG rounds, Grenades</b>	<b>754</b>	<b>1,407</b>	<b>3,870</b>	<b>1,839</b>
<b>MANPAD rounds</b>	<b>0</b>	<b>0</b>	<b>206</b>	<b>4</b>
<b>Mortar, Artillery, Rocket Rounds</b>	<b>2,289</b>	<b>8,318</b>	<b>8,711</b>	<b>5,574</b>
<b>Mines</b>	<b>147</b>	<b>30</b>	<b>586</b>	<b>12</b>
<b>Pounds of Explosives</b>	<b>168</b>	<b>67</b>	<b>771</b>	<b>66</b>
<b>Anti-Aircraft rounds</b>	<b>0</b>	<b>0</b>	<b>491</b>	<b>96</b>
<b>Captured Weapons</b>				
<b>RPG Launchers</b>	<b>44</b>	<b>57</b>	<b>99</b>	<b>45</b>
<b>MANPAD Launchers</b>	<b>3</b>	<b>15</b>	<b>9</b>	<b>8</b>
<b>Small Arms</b>	<b>251</b>	<b>357</b>	<b>230</b>	<b>306</b>
<b>Crew Served Weapons</b>	<b>59</b>	<b>35</b>	<b>65</b>	<b>18</b>



# Stability Contributors

## Countries with forces in Iraq

**34**

**TOTAL ~24K**

- Albania
- Australia
- Azerbaijan
- Bulgaria
- Czech Rep
- Denmark
- Dom Rep
- El Salvador
- Estonia
- Georgia
- Honduras
- Hungary
- Italy
- Japan
- Kazakhstan
- Korea
- Latvia

- Lithuania
- Macedonia
- Moldova
- Mongolia
- Netherlands
- New Zealand
- Norway
- Philippines
- Poland
- Portugal
- Romania
- Singapore
- Slovakia
- Spain
- Thailand
- Ukraine
- UK

## Countries considering decision to provide forces for Iraq

**6**

**TOTAL TBD**

**40 Countries**  
 Potentially Supporting  
 Iraqi Stability and  
 Humanitarian Relief

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# Economics – Financial Market Structures



- **Ambassador Bremer signed CPA Order 54 this week, which will impose a 5 percent reconstruction levy beginning 01 Apr 04**
- **Central Bank of Iraq signed up for SWIFT payment system, standard international payment system used by central banks worldwide**
  - **Training will proceed over the next few months, and the system goes live in June**
- **Iraq Stock Exchange is expected to open next month**
- **World Trade Organization (WTO) unanimously conferred “observer status” upon Iraq**
  - **Step toward WTO membership**
  - **Allows Iraq to attend all WTO committee meetings and to qualify for special training and assistance**

**CPA Economic Objective: Commence Reform of Tax System**

- **Reform tax rates**

# Economics – Currency & Banking

- As of 26 Feb, balance in the Development Fund for Iraq (DFI) was \$8.7 billion
  - Total payments out of DFI amount to \$4.4 billion
  - DFI investment program has earned \$14 million in interest
- As of 27 Feb, the Trade Bank of Iraq issued 138 letters of credit (L/C's) for nearly every Ministry and several state-owned enterprises
  - L/C's valued at \$515 million
- Training for a micro-lending activity in the Ba'athist Triangle has commenced
  - 12 bankers from the Middle East Investment Bank, the Bank of Baghdad, Rafidain Bank, and the Rasheed Bank, are attending workshops on micro and small enterprise lending techniques
- The Minister of Trade and a team from CPA just completed a 'road-show' throughout Europe promoting foreign investment in Iraq

## CPA Economic Objective: Build Financial Market Structures

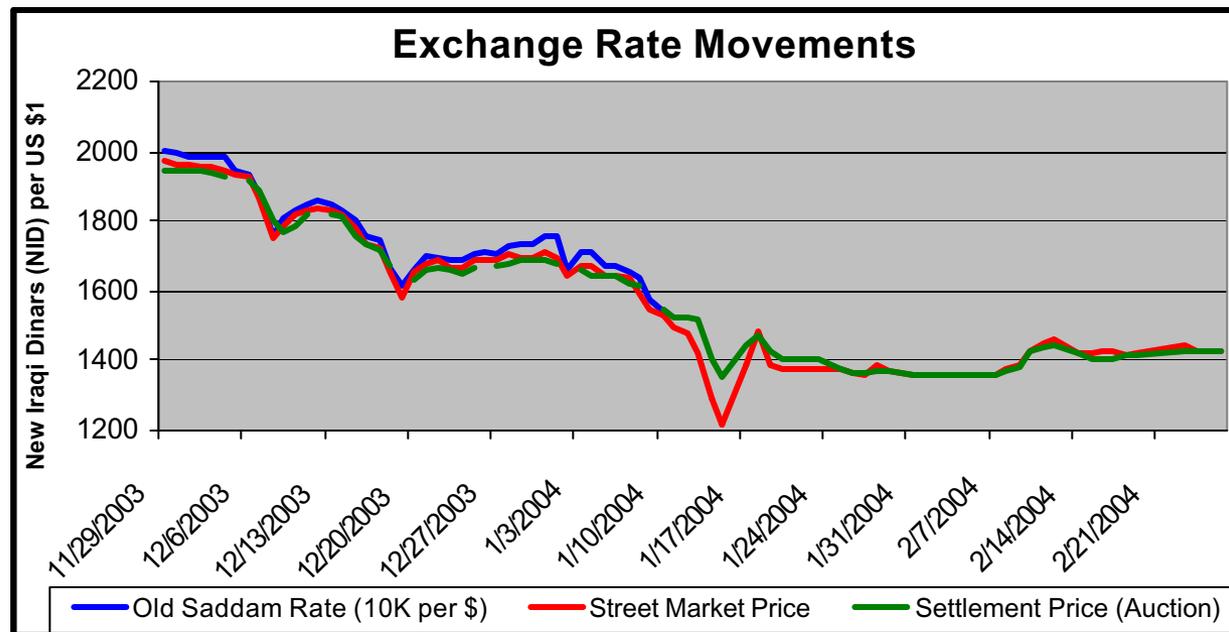
- Modernize the Central Bank
- Commercial Banking System
- Re-establish Baghdad Stock Exchange
- Restructure National Debt

# Economics – Currency & Banking (cont)



- The Currency Auction was developed and is operated by the Central Bank of Iraq (CBI)
- At the New Iraqi Dinar (NID) auction on 26 Feb, the settlement price was 1,425 dinars per dollar, the same as it was the previous day, and the value of dollars sold varied from \$11.1 to \$20.7
- During the past week, the NID depreciated 0.7 percent against the US dollar

Date	# banks participating	Amount sold or bought	Auction price (dinars per dollar)
16-Feb	13	\$7.735 million	1,400
17-Feb	14	\$11.310 million	1,425
19-Feb	14	\$13 million	1,415



# Economics – Other Developments

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N/P



- U.S Treasury Department estimates that 1.7 million jobs could be created in Iraq in 2004, assuming that \$8.4 billion (45 percent) of the supplemental funding is disbursed within the year
- Ministry of Labor and Social Affairs (MoLSA) opened a new employment center in Fallujah, bringing the total to 15 in the country
- CJTF-7 C-9 estimates that CPA has created 437,073 jobs for Iraqis
  - National Employment Program: 108,433 (Public Works)
  - Security / National Defense: 210,726
  - CJTF-7: 51,673
  - Civilian contractors working under CPA contracts: 64,861
  - Governorate Teams: 1,380

## CPA Economic Objective: Develop Framework for Sound Public Sector Finances and Resource Allocation

- Increase Capacity of Ministries of Finance and Planning to Manage Public Resources
- Increase International Coordination to Manage Foreign Assistance

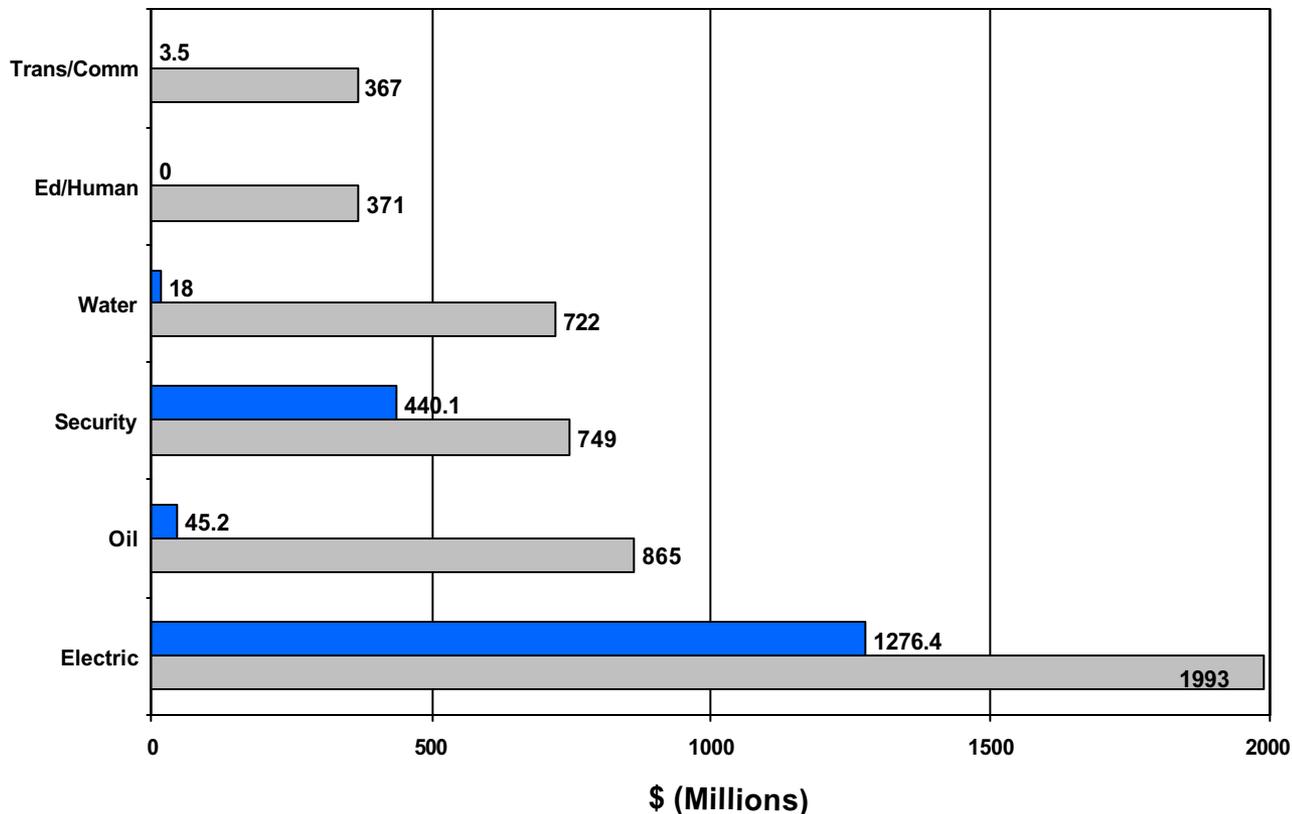
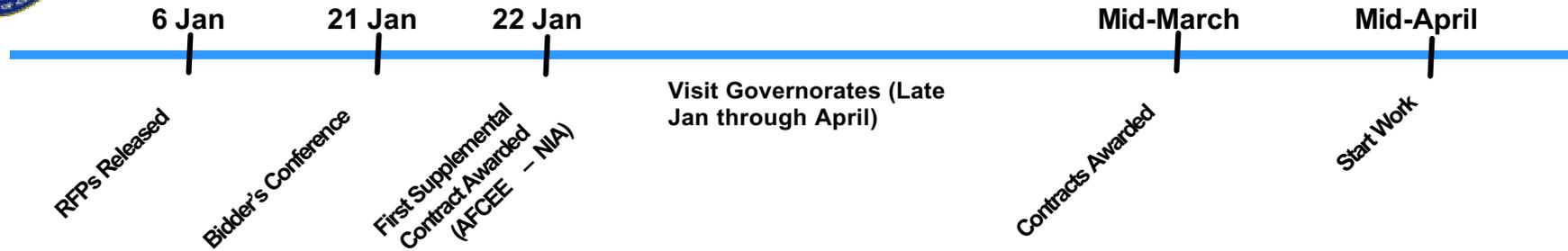
## CPA Economic Objective: Pursue National Strategy for Human Resources Development

- Employ 100,000 workers in Public Works programs around the country



# Program Management Office (PMO)

DEPARTMENT OF DEFENSE



**Construction Tasks Committed by 01 Jul 04**

**PMO Web-site Portal: [www.rebuilding-iraq.net](http://www.rebuilding-iraq.net)**

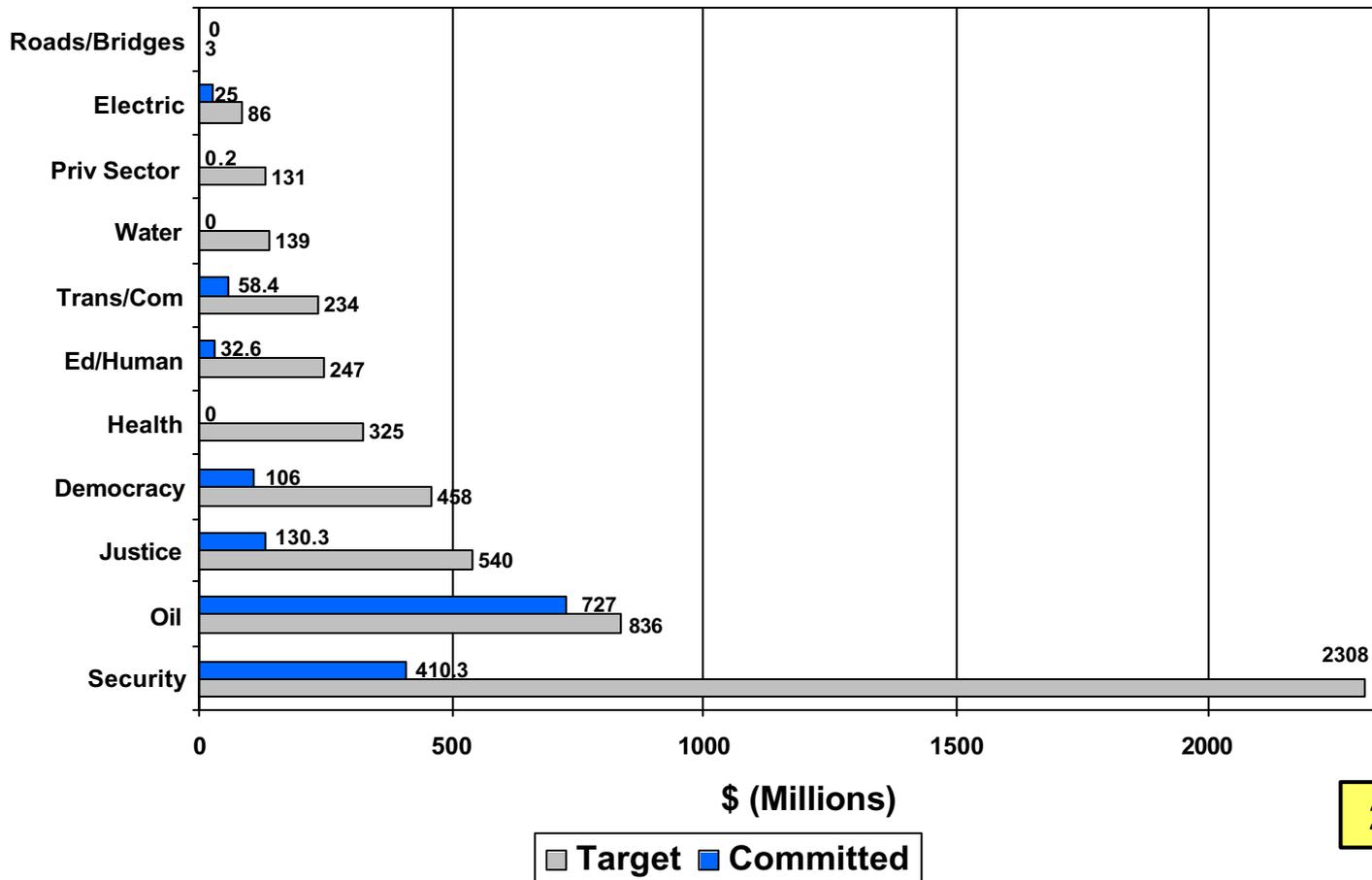
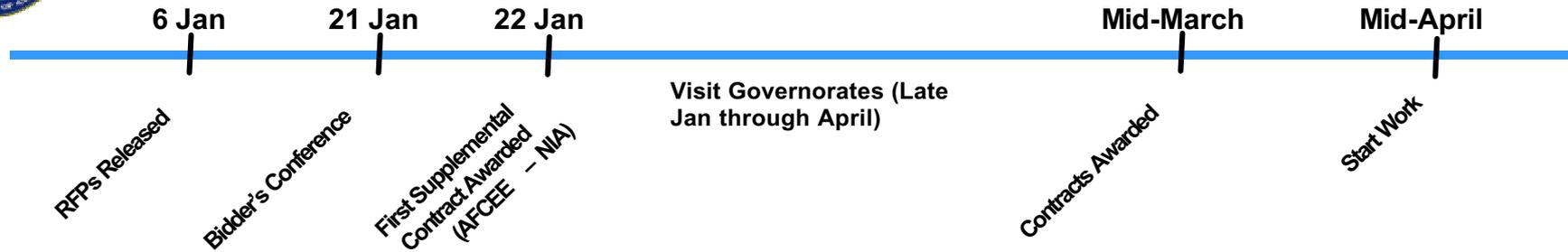
**29 Feb 04 - Status**

Legend:  Target  Committed



# Program Management Office (PMO) (cont)

DEPARTMENT OF DEFENSE



**Non-Construction Procurement by 01 Jul 04**

29 Feb 04 - Status

# Program Management Office (PMO) (cont)



29 Feb 04 - Status

Sector	2207 Report	Apportioned	Committed	Obligated
* Security and Law Enforcement	3,243	2,332.7	850.4	292
Electricity Sector	5,560	1,683.1	1,301.4	428.2
Oil Infrastructure	1,701	1,600.0	772.2	4
Justice, Public Safety, and Civil Society (less democracy)	560	560.9	130.3	25
Democracy	458	458.0	106	106
Education, Refugees, Human Rights, Governance	280	138.5	32.6	27.1
Roads, Bridges, and Construction	370	119.3	0	0
Health Care	793	330.0	0	0
Transportation and Telecommunications	500	164.0	61.9	0
Water Resources and Sanitation	4,332	496.2	18	18
Private Sector Development	184	64.5	.2	0
<b>TOTAL</b>	<b>18,439</b>	<b>7,947.2</b>	<b>3,273.0</b>	<b>900.3</b>
<b>CONSTRUCTION</b>	<b>12,611</b>	<b>3,950</b>	<b>1,783.2</b>	<b>595.8</b>
<b>NON-CONSTRUCTION</b>	<b>5,370</b>	<b>3,539.2</b>	<b>1,383.8</b>	<b>198.5</b>
<b>DEMOCRACY</b>	<b>458</b>	<b>458</b>	<b>106</b>	<b>106</b>
<b>Total</b>	<b>18,439</b>	<b>7,947.2</b>	<b>3,273.0</b>	<b>900.3</b>



# Strategic Communication

- **Leading Shiite and Sunni clerics and representatives of all of Iraq's religious groups established Iraqi Centre for Reconciliation, Dialogue, & Peace last week**
  - **Two members of Governing Council joined the group**
  - **Leaders adopted a 10-point accord in support of freedom of worship and calling for an end to violence**
  - **Leaders also pledged to work together towards democracy in Iraq**
- **World Scouting Organization and Arab Scout Organization recently launched initiative to set up Boy Scout and Girl Scout programs in Iraq**
  - **Program will allow boys and girls of all ethnic and cultural backgrounds to join together in activities that promote good citizenship, community service, honor, and self-confidence**
  - **Volunteer scouting was first introduced to Iraq in 1921 but was terminated during the Saddam Hussein era**